

**NEW JERSEY STATE BOARD OF ACCOUNTANCY
PUBLIC SESSION MINUTES
APRIL 21, 2016
SOMERSET ROOM - 6TH FLOOR**

I Call to Order and Roll Call - 9:40 A.M.

A meeting of the New Jersey State Board of Accountancy was convened in accordance with the provisions of the Open Public Meetings Act. Pursuant to those provisions, the proper notifications were made to the Office of the Secretary of State, the Camden Courier-Post, the Trenton Times, the Asbury Park Press, the Record, and the Star-Ledger. Board President, Daniel Geltrude called the meeting to order at 9:40 A.M. The following roll call was taken:

Keith Balla, CPA	Present
John F. Dailey, Jr., CPA	Present
Allison Dunko, CPA	Present
Sara L. DeSmith, CPA	Present
Daniel J. Geltrude, CPA	Present
David J. Milkosky, CPA	Present
Harold Model, CPA	Present
Joan Paciga, CPA	Present
Eileen Poiani, Ph.D	Present
Ainsley A. Reynolds, CPA	Present
Michael H. Runge, CPA	Present
Maria Vallejo, Esq.	Excused

Also present at the meeting were Terri L. Goldberg, Acting Executive Director; Tobey Palan, Deputy Attorney General, Melba Rodriguez, Secretarial Assistant; Marie Lisa, Staff; Ralph Thomas, Executive Director, NJCPA; Mike Polito, Past President, NJCPA; Jeff Kaszerman, Director of Government Relations, NJCPA and Frank Boutillette, President, NJCPA.

II Minutes of the Meeting of March 17, 2016

On a motion made by Ainsley Reynolds, seconded by Eileen Poiani, the Board voted to approve the March 17, 2016 Public Session minutes with corrections. The vote of the Board was 10 voting in favor with David Milkosky abstaining.

III President's Remarks

Board President Geltrude had no report for the Board.

IV Executive Director's Remarks

Acting Executive Director Goldberg had no report for the Board.

V New Business

A John Damico - Maria Vallejo

Mr. Damico is an exam candidate.

This matter was moved to Executive Session for discussion.

B Robert Finn - Ainsley Reynolds

Mr. Finn is requesting endorsement from the State of Pennsylvania.

On a motion made by Ainsley Reynolds, seconded by Sara DeSmith, the Board voted to inform Mr. Finn that his letter was accepted by the Board, but he must fill out a Statement of Experience and have his managing partner sign off on the experience section. The vote of the Board was unanimous.

C Matthew A. Snyder - Eileen Poiani

Mr. Snyder is requesting endorsement from the State of Connecticut.

On a motion made by John Dailey seconded by Keith Balla, the Board voted to approve Mr. Snyder's request for endorsement. The vote of the Board was unanimous.

D Johari Powell - Keith Balla

Correspondence was received from Mr. Powell wherein he informs the Board that he would like to take a NJ Law & Ethic Course being provided by his firm on September 15, 2016. Mr. Powell six month window to comply with the NJ Law & Ethic ends on July 25, 2016.

On a motion made by Keith Balla, seconded by Harold Model, the Board voted to approve Mr. Powell's request for an extension until September 15, 2016 to complete the NJ Law & Ethic course. The vote of the Board was unanimous.

B Kalpana Gropalakrishnan - Terri Goldberg

This matter was moved from Executive Session.

Ms. Gropalakrishnan was fined \$8,000.00 for not having obtained the required 120 CPE credits. Ms. Gropalakrishnan was part of the 2008-2011 audit and had just become licensed.

On a motion made by Keith Balla, seconded by Sara DeSmith, the Board voted to rescind the \$8,000.00 fine. The vote of the Board was unanimous.

VI Committee Reports

A CPA Examination Committee

Harold Model had no report for the Board.

B CPE & Ethics Committee

Keith Balla had no report for the Board.

C Education & Reciprocity Committee

Ainsley Reynolds had no report for the Board.

D Monitoring the Profession Committee

David Milkosky requested that the Monitoring the Profession Committee report be moved to Executive Session for legal advice.

E Nominating Committee

Keith Balla reported on the new slate of officers:

Daniel Geltrude - President
Sara DeSmith - Vice President
Harold Model - Secretary
Ainsley Reynolds - Treasurer

On a motion made by Keith Balla, seconded by Ainsley Reynolds, The Board voted to accept the slate of officers. The vote of the Board was unanimous.

F Peer Review Oversight Committee

Sara DeSmith had no report but did inform the Board that a teleconference will be held shortly.

G RMA Committee

John Dailey had no report but did inform the Board the consideration of having an electronic RMA exam in the future.

H Statute/Rules//Regulations Committee

John Dailey had no report but did inform the Board that the Committee will be working on some meeting dates. Regulatory Analyst has provided some dates that she will be available.

I Communications Committee

John Dailey reported that he has only received one biography and is waiting for a few more for the Board's first Spring/Summer newsletter.

VII Public Comments

Ralph Albert Thomas, CEO and Executive Director at the New Jersey Society of CPAs. Following are key dates for Society programs:

•April 21st –This evening the Society's Annual Scholarship Awards Ceremony will be held at the Pines Manor in Edison, NJ from 7- 9pm. We will be awarding more than 85 scholarships to high school seniors and college juniors and above.

Unfortunately, we will only be awarding \$490,000 as opposed to the more than half million dollars plus that we've awarded in the past three years.

- April 29th – The Society will host an Issues Watch Update Live with guest speaker Barry Melancon, President & CEO of the AICPA. Barry will provide comments on the enhanced joint venture initiative with CIMA. He will also provide a professional issues update on some of the critical issues facing the CPA profession.

We hope members of the Board will be able attend these events if your schedules permit.

Since the March State Board of Accountancy meeting, the NJCPA has been extremely busy working on the following initiatives and issues:

- As noted at the previous Board meeting, the Society has been very involved with forming the coalition, Opportunity New Jersey. We have assumed a board position in Opportunity New Jersey which is a coalition of 40 plus companies and business associations formed to improve the State's economy by growing jobs and making New Jersey a more affordable place to live. Currently, Opportunity New Jersey will be focused on the following: the notion of taking the pension obligation payment issue and mandatory paid sick leave to a constitutional ballot and increasing the minimum wage to \$15 an hour. The coalition, which is a 501c (4) social welfare organization, was established to improve New Jersey's economic climate and to provide objective information regarding legislation, policies and processes lawmakers and the administration are putting forth.

- In addition to the items noted above, the Society continues to be engaged in the following legislative proposals and bills: reform of the estate tax and increasing the exclusions related to pension and retirement income; and combined reporting.

- On a regulatory front, we have collaborated with the AICPA to review the NJ State Board of Accountancy statutes and regulations and have provided suggested changes to align these statutes and regulations with the most recent version of the UAA. Our proposed changes to the statutes and regulations have been provided to the State Board of Accountancy for their review and consideration.

- On a national level, we conducted two visits to members of New Jersey's Congressional delegation to solicit their continued support and sponsorship on

the Mobile Work Force bill. We also discussed with the Congressmen the need for disaster relief to be included in the Federal budget each year, rather than having to vote for relief once a disaster occurs.

Agenda Addendum

Milca Beltre - Inactive-paid License

Mr. Beltre's CPA license was in inactive-paid status but now his license is expired. The Board had requested to find out if he had a current PTIN number, which he does not have. He was fined \$8,000.00 for inadequate CPE. A search on of the internet was conducted and no information was found on Mr. Beltre.

On a motion made by John Dailey, seconded by Keith Balla, the Board voted to uphold the UPL issued. The vote of the Board was unanimous.

Cameron Forest Rabe - Expired license

Mr. Rabe's CPA license is currently expired. Mr. Rabe has not practiced as a CPA since 2014. Mr. Rabe does not have PTIN number. A search of the internet was conducted and no information was found on Mr. Rabe.

On a motion made by Sara DeSmith, seconded by Harold Model, the Board voted to uphold the UPL issued. The vote of the Board was unanimous.

Christopher Brown - *David Milkosky*

A UPL was issued in the amount of \$8,000.00 which was later changed to \$4,000.00. Mr. Brown informed the Board that he has been out of the country in Africa for about a year taking care of an ill parent. Mr. Brown's tax refund has been withheld due a COD that had been issued. Mr. Brown informed the Board that he would have complied with the CPE requirements with in six month. He is requesting that the Board rescind the UPL issued.

On a motion made by David Milkosky, seconded by John Dailey, the Board voted to rescind the \$8,000.00 previously issued. The Board is upholding the \$4,000.00 UPL issued and wishes to request that Mr. Brown submit CPE records for renewal period 01/01/2011 thru 12/31/2014. The vote of the Board was unanimous.

John Dailey informed the Board that NASBA has a yearly Executive Director's conference. At the conference a discussion occurred wherein the AICPA is in the process of changing the Peer Review standards. They would like to change the administrative entities by reducing the number of administrators down to no more than 10. Mr. Dailey informed the Board that a meeting will be taking place next month with the individuals from the UAA. Mr. Dailey informed that he has a document that is circulating from NASBA, which he will forward to the Board for review.

On a motion made by Ainsley Reynolds, seconded by David Milkosky, the Board voted to adjourn the Public Session Board meeting at 11:45 A.M. to reconvene in Executive Session to discuss the results of the Investigative Inquiry, two New Business matters, one Old Business matters, the PCAOB reports and five Consumer Complaints. The vote of the Board was unanimous.

Mr. Milkosky informed the Board that there are 143 licensees that answered "no" to having any CPE.

On a motion made by Ainsley Reynolds, seconded by John Dailey, the Board voted to send out audit letters to the 143 licensees that entered "no they will not have obtained CPE" for renewal period ended 2014. The vote of the Board was unanimous.

Respectfully submitted,

Francine Widrich
Acting Executive Director

